

**MINUTES**  
**BROWN COUNTY HOUSING AUTHORITY**  
**Monday, February 21, 2011**  
**City Hall**  
**100 N. Jefferson Street, Room 604**  
**Green Bay, WI 54301**  
**3:00 p.m.**

**MEMBERS PRESENT:** Michael Welch-Chair, Tom Diedrick, Rich Aicher, Darlene Hallet, Ann Hartman.

**OTHERS PRESENT:** Nikki Aderholdt, Robyn Hallet, Matt Schampers, Rob Strong, Chip Law, Dan Lindstrom (for item #6 only).

R. Strong introduced new Commissioner Ann Hartman to the Authority. Ann Hartman was recently appointed to the Brown County Housing Authority Board by County Executive Tom Hinz and will be filling the position that Paul Kendle previously filled.

**APPROVAL OF MINUTES:**

1. Approval of the minutes from the January 17, 2010 meeting of the Brown County Housing Authority.

A motion was made by T. Diedrick, seconded by R. Aicher to approve the minutes of the January 17, 2011 meeting of the Brown County Housing Authority. Motion carried.

**COMMUNICATIONS:**

Letter from Family Services summarizing efforts made to provide services to local homeless families.

R. Hallet indicated that this is a late communication from Family Services reporting on the use of the \$6,000 contribution provided from the BCHA. These funds were provided to the Crisis Center to house unsheltered families. Family Services have expended the full amount that was donated.

**New BCHA Commissioner**

M. Welch stated that due to P. Kendle's absence, and the new appointment of A. Hartman, the Authority is without a Vice-Chair. R. Strong indicated that the BCHA will be asked to elect a new Vice-Chair at the March meeting.

M. Welch proposed that the BCHA provide P. Kendle with a recognition plaque for his 17 years of service to the Authority, as well as an informal dinner gathering. The BCHA staff was directed to make arrangements for the plaque and dinner.

## REPORTS:

### 2. Report on Housing Choice Voucher Rental Assistance Program

#### A. Preliminary Applications

C. Law stated that 321 preliminary applications were received in month of January. There is a slight spike in the number of applications received due to ICS's outreach efforts.

#### B. Housing Assistance Payments

C. Law stated that HAP dollars for the month of January came in at \$1,082,896 which is as many dollars as the BCHA has had in quite some time.

#### C. Housing Assistance Unit Count

C. Law stated that the unit count for January was 2,865 which is a slight increase from December 2010.

#### D. Housing Quality Standard Inspection Compliance

C. Law indicated that 150 units passed on the first inspection which is almost 45 percent; 95 passed on the re-inspection which is 28 percent; and 89 units failed which is around 20 percent. These numbers are consistent in comparison to other months.

#### E. Housing Choice Voucher Administrative Costs and HUD 52681B

C. Law stated that the BCHA is \$9,573 over budget for the month of January, which is not atypical. January is typically the month for accrual of paid time off which could explain the reason the BCHA is over budget.

#### F. Portability Activity

C. Law indicated that for the month of January, there were 57 port-outs totaling a total dollar amount of \$49,678.00 and 12 port-ins totaling \$3,374.00. This is the BCHA's biggest month yet in regards to the port-outs.

#### G. SEMAP Monitoring Report

C. Law indicated that the SEMAP report is being approved later on the agenda so this item can be discussed in more depth then.

H. Report of the Housing Choice Voucher Family Self-Sufficiency Program.

C. Law stated that there were 123 FSS clients for the month of January. This is quite a jump from previous months but can be accredited to ICS efforts in outreach. There were 32 escrow accounts, 1 FSS graduate and 8 new contracts in January.

I. Report on the Housing Choice Voucher Home Ownership Option.

C. Law stated that there were 91 homeownership clients in January.

J. VASH Reports

C. Law indicated that there are 11 participants in January, and continues to climb every month. There are no new VASH participants.

K. Report on Langan Investigations Criminal Background Screening and Fraud Investigations

C. Law stated that for January Langan worked on 49 new applications, 14 additions to households, and 28 records checks. There was one fraud investigation substantiated in January.

#### **OLD BUSINESS:**

3. Discussion and possible action on results of data collected from Housing Choice Voucher application residency surveys.

R. Hallet indicated that at the last few meetings BCHA staff has presented information collected from the HCV residency surveys. At the last meeting the Commissioners agreed that this information should be provided to the County Board and should come directly from the BCHA Commissioners rather than staff. R. Hallet stated that a draft memo has been compiled and prepared for the Commissioner's review. Furthermore, with changes proposed by the Authority, the BCHA staff has prepared the survey and applicant data and compiled it into a report.

R. Hallet stated that a few changes were made to the survey data, primarily clarifying the surveying time period and the low response rate. One of the survey questions and data was removed from the summary due to its varied interpretations and ambiguity. The rest of the statistical information has remained the same.

R. Hallet indicated that there were a few items that were changed on the report regarding the applicant data in an effort to make the data clear. The most recent change is a note that indicates that the analysis of applications received from January 1, 2010 through August 31, 2010 indicates that 11.4 percent of all applicants ultimately are eligible for the program and begin receiving housing

assistance payments. This was added to clarify that the people who apply to the program are not reflective of the overall participants of the program. This information was also carried over into the memo.

R. Aicher stated that every time you look at the report, changes could be recommended, and ultimately could still be discussed six month from now. Unless there's something glaring that the Authority should be aware of, the reports should receive a stamp of approval and be provided to the County Board. If the County Board has questions once they receive the reports, they can bring those questions back to the Authority.

A motion was made by R. Aicher, seconded by D. Hallet, to approve the memo and reports drafted and prepared by BCHA staff, and to provide such reports to the County Board on behalf of the Authority. Motion carried.

#### **NEW BUSINESS:**

4. Review and approval of Resolution No. 11-01 certifying the Brown County Housing Authority Annual SEMAP submission for fiscal year ending December 31, 2010.

C. Law indicated that the high performer status at 95 percent was not achieved, as the Authority was aware. The only way to reach high performer is to earn the 20 points from voucher or HAP utilization. The only other area that caused some initial concern was that only 8 out of 10 points will be received for the FSS program. C. Law stated that after discussing this with DonElla Payne it was determined that this was due to timing of the compilation of the data. C. Law explained that when the data was pulled for this information there was a gap between the new participants and the graduates, so there weren't as many slots filled as there typically are throughout the year. If ICS would have pulled the information two weeks later, the BCHA would have received 10 points in this category.

C. Law stated that lease-up was difficult in 2010, but 2011 is starting off strong and will meet the high performer status. HUD has been following ICS' lease-up closely to ensure that voucher utilization is being met.

R. Hallet briefly explained the Cardinal Capital project and project-based voucher utilization to A. Hartman.

A motion was made by D. Hallet, seconded by T. Diedrick, to approve Resolution No. 11-01 certifying the Brown County Housing Authority Annual SEMAP submission for fiscal year ending December 31, 2010. Motion carried.

R. Hallet requested that the Authority take item 6 out of order due to having a City Planner present to answer questions for that particular item.

A motion was made by T. Diedrick, seconded by D. Hallet, to take item 6 out of order. Motion carried.

6. Discussion and possible action regarding a Housing Cost Reduction Initiative (HCRI) loan previously provided for 1117 Shea Street.

R. Hallet indicated that in 1992, the BCHA provided \$2,500 for a down-payment closing cost for the homebuyer of 1117 Shea Ave in the form of a deferred payment loan. In December 2010, the BCHA found that the owner defaulted on property taxes and would be going into foreclosure. R. Hallet stated that staff has researched the BCHA's options to not lose out on the money provided to the homebuyer. One of the greatest issues with this property is that it's located in a flood zone, and as such, there are many restrictions on what can be done to property. Therefore, it is by recommendation of the BCHA staff, as well as Planning staff, that the BCHA reject acquiring this property.

R. Aicher questioned if the BCHA's investment is \$2,500. R. Strong confirmed.

T. Diedrick questioned where Shea Ave. is located. D. Lindstrom indicated that it was on the northwest side of the City, just south of the railroad tracks. R. Strong introduced D. Lindstrom, Planner I, to the Commissioners.

R. Aicher questioned the status of the delinquent property taxes. R. Hallet stated that they are still delinquent, but if the BCHA does not acquire, it will become the property of Brown County. The property currently appears abandoned.

The Commissioners directed the BCHA staff to reject acquiring 1117 Shea Ave. The Authority thanked D. Lindstrom for making himself available.

A motion was made by A. Hartman, seconded by D. Hallet, to return to the original order of the agenda. Motion carried.

5. Discussion and possible action regarding HQS re-inspection fees.

R. Hallet indicated that this issue began when a landlord who is participating in the HCV program contacted HUD regarding some concerns that she had with her inspection. While explaining her concerns with HUD, the landlord briefly mentioned that ICS charges for re-inspections. Since then, HUD has contacted the BCHA and indicated that ICS cannot charge for re-inspections. R. Hallet stated that some Commissioners may recall that several years ago, staff proposed a policy requiring that a fee of \$50 for a second re-inspection and \$100 for a third re-inspection. This was an attempt to encourage landlords to be more proactive with repairs and maintenance and was approved in 2004. ICS has collected \$12,325.00 in inspection fees since this policy's implementation.

R. Hallet stated that staff has been exchanging letters with HUD for several months. The most recent letter details this policy as well as the current staffs'

interpretation of the regulations regarding inspection fees, which is that the housing authority cannot charge the landlord for an initial inspection or a re-inspection [singular], but this is not applicable to second or third re-inspections [plural]. R. Hallet indicated that staff has not heard back from HUD since January 14, 2011.

R. Hallet indicated that in the meantime, ICS has been directed to suspend charging landlords for any inspection until this issue is resolved.

A. Hartman questioned if there were certain landlords that were being charged repeatedly, or if several different landlords were being charged. C. Law responded that while he cannot answer that question directly, it is known that some landlords take advantage of the second and third re-inspections to ensure that their repairs are done adequately; they don't mind the charge. C. Law stated that it's not always the same property, and what is often encountered is that once the landlord determines that ICS will charge \$50 and \$100 for second and third re-inspections, they don't typically let those repairs or maintenance go undone.

C. Law stated that the funds received through the inspection fees is rolled into administrative dollars and is perceived as additional administrative dollars. This makes sense because there is a lot of staff time going into continuous re-inspections. What concerns ICS is that by taking away this policy, HUD is basically implying that it is ok to conduct numerous inspections on the same property with no recourse to the landlord. C. Law stated that very few third re-inspections, resulting in a \$100 charge, are conducted because to this point, this policy has been extremely effective.

N. Aderholdt stated that if anything comes out of this, perhaps HUD will ultimately see the BCHA's interpretation and rewrite the regulation. As of right now, the regulation is extremely vague and open to multiple interpretations.

M. Welch indicated that he thought he recalled that HUD approved this concept years ago when the Authority adopted it. N. Aderholdt stated that unfortunately, the current BCHA staff cannot locate any direct communication from HUD approving this policy. In communications with ICS, previous BCHA staff referred to this topic stating that HUD applauded the concept; however, there is no direct approval. N. Aderholdt stated that this could have been an instance in which the BCHA indicated to HUD that the policy would be implemented unless we were informed by HUD that it couldn't be. C. Law agreed that HUD is very difficult to get legal guidance from.

R. Hallet stated that HUD has indicated that we will need to repay all of the collected monies. C. Law explained what a time consuming task this would be. We will therefore not repay these fees until this issue has been resolved.

7. Discussion and possible action on investments.

M. Schampers stated that this item came up at the January 2011 meeting when discussing the budget and interest rates. The investment policy was provided in the agenda packet. The highlight of the policy states that an investment is considered an investment if it can be liquidated in one day, government backed or fully insured, and a maximum term of three years. M. Schampers indicated that shortly after the January meeting, he was contact by M&I Bank, who BCHA currently has repurchase agreements through. M&I Bank pledges government assets to secure BCHA funds. Unfortunately, the bank wasn't doing so well financially and had to sell off a lot of those assets and as a result cannot continue providing repurchase agreements. M. Schampers stated that the BCHA must now look at different options for the investments. There are really two main options: (1) transfer to a different bank who would provide repurchase agreements, or (2) buy treasuries directly through M&I Bank.

R. Aicher indicated that at one time, before repurchase agreements, different staff involved in this process would shop around for different interest rates and would open a C.D. at one bank and another at a different bank. At that time, it took a lot of C.D.'s to cover the amount of money the BCHA had. The limit on these C.D.'s has since increased. R. Aicher stated that one thought would be to set aside enough money for operations six months out, and then invest the remaining balance based on an investment strategy. R. Aicher simplified and explained the BCHA could build an investment ladder by putting some money into a 6-month investment, and some into a 1-year investment. Three months later invest more in other 6-month and 1 year investments.

M. Schampers stated that in talking to M&I Bank, he learned that it's by tax ID for the insurance, so he asked if the BCHA had eight of them, would they have to be at eight separate banks. R. Aicher confirmed that the BCHA would have eight different CD's at eight different banks with eight different maturity rates from a strategy standpoint. R. Aicher stated that it doesn't make sense for the Authority to invest in treasuries because the BCHA cannot claim a tax advantage from them.

R. Strong stated that the BCHA staff will continue to look into the available options and bring the item back to the Authority at the next meeting.

8. Review and adoption of BCHA Capitalization policy.

M. Schampers stated that this item was also brought up at the January meeting when discussing the budget. The BCHA did not have a capitalization policy, so N. Aderholdt drafted one based on the Green Bay Housing Authority's policy. M. Schampers indicated that the threshold is \$5,000, and this dollar amount makes sense on all aspects.

R. Strong stated that the BCHA does not have many assets, except for the Impala. M. Schampers confirmed. R. Aicher indicated that the BCHA has purchased software over the years as well.

A motion was made by D. Hallet, seconded by T. Diedrick, to adopt the Capitalization policy as presented. Motion carried.

9. Discussion and possible action regarding usage of BCHA's vehicle.

R. Hallet indicated that this item came about during the budget discussion at the January meeting. Staff compiled a spreadsheet that illustrates the use of the Impala, comparing the different divisions within the departments that use it and the mileage of that use. R. Hallet indicated that the BCHA does use the Impala significantly less than some of the other divisions.

R. Strong stated that all of the agencies pay for maintenance and oil changes incurred. The ongoing costs are shared, but the BCHA incurred the initial cost of purchasing the car. While the previous housing administrator would take the Impala home at the end of the work day, current staff leaves the car to be parked at City Hall overnight. Ultimately, this makes it more accessible for use.

R. Strong indicated that both the Impala and a minivan have been delegated as the Planning Department's vehicles for use. R. Aicher questioned if the Impala was insured through the City of Green Bay. R. Strong confirmed. R. Aicher questioned if the title was in the Housing Authority's name. N. Aderholdt stated that the title was previously under Brown County and has since been changed to be under the Brown County Housing Authority. R. Aicher questioned if there would be any issue with another entity owning the vehicle and the staff continuing to use it only four or five percent of the time. R. Aicher stated that for example, would there be an issue if the BCHA transferred the title and ownership to the City of Green Bay? R. Strong stated that knowing the City's budget, they wouldn't consider that offer and would recommend just getting rid of the car. R. Strong stated that the Planning department does not have the money to buy the Impala.

R. Strong stated that if the BCHA decided to get rid of the car, staff would just have to be paid mileage. R. Hallet stated that while it may not be a factor, she does not always drive her vehicle to work. R. Hallet indicated that she is a huge proponent of walking and biking. If she needs to take a trip to ICS on a day when she didn't drive to work, it's going to take significantly more time to get there on bike. Furthermore, personal vehicles are parked in the ramp, so it would be inconvenient if one had to haul armfuls of files, for example, two blocks to the ramp. R. Hallet stated that it is very convenient for her and staff to have a car readily available to use for business purposes. N. Aderholdt stated that it is convenient to not have to rack up miles on your personal vehicle.

T. Diedrick stated that the BCHA is not currently in a financial situation where the money is needed. R. Aicher questioned who pays the repair bill on the car. R. Strong reiterated that it is divided among the agencies according to percentage of mileage. R. Strong stated that the other option would be instead of just splitting the cost of the ongoing charges incurred, the BCHA could charge a multiplier as well which will help pay back the BCHA for the original cost. R. Aicher stated that if all agencies that use the vehicle shared in the cost of it, then this wouldn't be an issue. A. Hartman clarified that agencies would essentially pay some sort of a rental fee. R. Strong stated that staff can look further into that option.

R. Hallet stated for the record that she would not be very pleased to get rid of the Impala.

R. Strong stated that the staff would look further into sharing expenses of the Impala and report back to the Authority.

#### **INFORMATIONAL:**

##### **10. Update on civil and criminal prosecution of fraud cases**

N. Aderholdt stated that the report provided illustrates the recovery of funds and the status of the criminal cases that have been referred to date. From January through February 2011, the BCHA has recovered \$118,632, which is almost the highest year for recovery. This year will be highest year for recovery being that the trend has started out so strong. The reason for the recovery spike is primarily due to tax interception. N. Aderholdt indicated that the BCHA has intercepted 66 times in the last month and a half; the same person was intercepted twice.

N. Aderholdt stated that in 2011, the BCHA has had 18 satisfactions, two of which were satisfied repayment agreements. To date, the BCHA has filed 427 small claims actions; has 22 active repayment agreements; 78 total satisfactions; and nearly \$305,000 repayments.

N. Aderholdt pointed out that the fraud backlog has diminished and therefore, the actions filed will significantly decrease. The fraud cases will also significantly drop due to ICS' efforts in preventative measures. R. Hallet stated that in the future, these numbers are going to go down, but that's a positive thing because that means that we're doing an adequate job of catching it at the forefront.

N. Aderholdt stated that to date, staff has referred 23 cases to the District Attorney's office; six additional cases were referred that morning. Of the 23 referred, four have been resolved; one has a plea pending; and 18 are pending action.

#### **BILLS:**

A motion was made by R. Aicher, seconded by T. Diedrick to approve the bills as presented. Motion carried.

**FINANCIAL REPORT:**

No report provided. This report has been modified to be provided to the Authority on a quarterly basis.

**STAFF REPORT:**

11. Brown County Housing Authority 2010 Activities summary

R. Hallet stated that a report was provided to the County Executive that summarizes some BCHA statistics as well as some of the significant actions taken by the BCHA over the past year. R. Strong stated that this report does not include all action taken but highlights the major ones.

The meeting was adjourned at 4:40 p.m.

RAH:naa

**Housing Choice Voucher Program  
Financial Status Report  
2011 Budget Year  
As of January 31, 2011**

REVENUE		Budget Amount	YTD	Annualized	Remaining Budget Balance
52 00-00 3410	HAP Income	\$ 12,239,670	\$ 1,102,529	\$ 13,230,348	(11,137,141)
52 00-00 3420	Admin Fee Income	\$ 1,349,814	\$ 114,157	\$ 1,369,884	(1,235,657)
52 00-00 3430	FSS/HO Coordinator Income	\$ 90,308	-	-	(90,308)
52 00-01 3300 & 52 00-00 4111	Fraud Recovery	\$ 105,000	\$ 2,440	N/A	(102,560)
52 00-00 3610 & 3615 & 3690	Other Income (Interest & HO Payments)	\$ 2,668	\$ 321	\$ 3,846	(2,347)
<b>Total Revenues</b>		<b>\$ 13,787,460</b>	<b>\$ 1,219,447</b>	<b>\$ 14,604,078</b>	<b>(12,568,013)</b>
<b>EXPENDITURES</b>					
<b>Program Expenditures</b>					
52 00-00 4715	HAP Payments	\$ 12,133,693	\$ 1,095,675	\$ 13,148,096	11,038,018
52 00-00 4431	ICS Admin	1,301,221	110,047	1,320,568	1,191,174
52 00-00 4433	FSS/HO Coordinator	112,885	10,791	129,492	102,094
<b>Total Program Expenditures</b>		<b>13,547,799</b>	<b>1,216,513</b>	<b>14,598,156</b>	<b>12,331,286</b>
<b>Administrative Expenditures</b>					
52 00-00 4110 & 52 00-01 4110	Salaries	46,367	-	-	46,367
52 00-00 4540 & 52 00-01 4540	Fringe Benefits	20,691	-	-	20,691
52 00-01 4135	Legal Fees	5,302	-	-	5,302
52 00-00 4510	Insurance	5,095	-	-	5,095
From HCV Admin Exploded Tab	Other	17,493	-	-	17,493
<b>Total Administrative Expenditures</b>		<b>94,948</b>	<b>-</b>	<b>-</b>	<b>94,948</b>
<b>Total Expenditures</b>		<b>\$ 13,642,747</b>	<b>\$ 1,216,513</b>	<b>\$ 14,598,156</b>	<b>\$ 12,426,233.97</b>
<b>Cash Balance</b>		<b>\$ 2,693,107.58</b>			

**Brown County Housing Authority**  
**List of Bills**  
**February 21, 2011**

<u>Description</u>	<u>Amount</u>
<b>Conversion Program</b>	
<b>Section 8 Program:</b>	
Green Bay City Treasurer (Nov 10, Printing & Postage)	48.30
Green Bay City Treasurer (Nov 10, IP Phone Allocation)	15.00
Green Bay City Treasurer (Dec 10, IP Phone Allocation)	15.00
Brown County Homeless and Housing Coalition	25.00
Vande Castle, S.C. (Fraud Recovery - Legal Fees)	140.00
Green Bay City Treasurer (Oct-Dec 10, Chargebacks)	131.02
Green Bay City Treasurer (Dec 10, Salaries)	4,662.71
Green Bay City Treasurer (Dec 10, Purchasing Card)	31.48
Green Bay City Treasurer (Nov 10, Purchasing Card)	8.75
Green Bay City Treasurer (Dec 10, Postage)	6.84
Robyn Hallet ( Travel Expense Claim - WAHA Training)	11.01
Matt Schampers ( Travel Airfare - Training/Las Vegas)	216.90
Tina Paulson (Reimbursement for Fraud Payment)	570.00
West Bend Insurance (Bond Premium)	171.00
Green Bay Housing Authority ( Reimburse for BCHA Insurance Payment)	5,378.00
<b>80-81 CDBG Program:</b>	
<b>84 CDBG Program:</b>	
<b>WHNCP Program:</b>	
<b>B.C. Rental Rehab Loans:</b>	
<b>Revenue Bond Program:</b>	
<b>WHEDA Program:</b>	
<b>HCRI Program:</b>	
<b>HOME Program:</b>	
<b>HOME Program-Rpd CHDO Qualify:</b>	
<b>Total Bills</b>	<b>\$ 11,431.01</b>